

To

3rd August 2015

The General Manager,
Indian Overseas Bank,
Central Office,
Chennai

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Dear Sir,

Sub: Request to restore full additional interest on term deposits of former staff members

We refer to our earlier letter dated 30/04/2015 requesting you to restore in full the additional interest on deposits of 1% applicable to staff plus ½% applicable to senior citizens. In fact, RBI Circular RBI/2014-15/63 DBOD.No.Dir.BC.15/13.03.00/2014-15 dated **01/07/2014** entitled **senior citizen retired employees** to both additional interest and there can be no discrimination in the additional interest payable between employees and retired employees.

We have expressed in our letter that Bank will not be saving any significant amount by the decision of the bank and this is not a right gesture to the retirees who were and are still loyal to the Bank. We never expected that Bank would take such a harsh step against the retirees, that too when interest rates are falling down against high inflation affecting the livelihood of retirees.

We

request to you to reconsider your decision.

With regards,

Yours faithfully.

(S.B.C.KARUNAKARAN)

General Secretary

To

3rd August 2015

The General Manager,
Indian Overseas Bank,
Central Office,
Chennai
Madame,

Sub: Request to permit retired officers to defend retired officers in domestic enquiries

We refer to our request letter dated 14/10/2014 on the captioned matter and your response declining the request vide letter dated 19/11/2014 on the ground that only an officer employee can defend a charged officer and a retired officer is not defined as an officer employee. IOB Officer Employees (D & A) Regulations, 1976 has been cited in your letter.

The very same IOB Officer Employees (D & A) Regulations, 1976, in Reg.6(2) says, "Whenever the Disciplinary Authority is of the opinion that there are grounds for inquiring into the truth of any imputation of misconduct or misbehaviour against an **officer employee**, it may itself enquire into, or appoint any other person who is, or has been a public servant (hereinafter referred to as the inquiring authority) to inquire into the truth thereof. If an officer employee means only a serving employee, then the competent authority in Pension Regulations cannot appoint any public servant, past or present as inquiring authority. But Bank is appointing retired public servant as inquiring authority in cases related to retired officers which is, technically speaking, against the IOB Officer Employees (D & A) Regulations, 1976.

Under the circumstances, we request you to be considerate to our request in the interest of equity and allow retired officers to defend retired charged officers in domestic enquiries and oblige.

With regards,

Yours faithfully,

(S.B.C.KARUNAKARAN)
General Secretary

To

3rd August 2015

The General Manager,
Indian Overseas Bank,
Central Office,
Chennai

Madame,

Sub: Leave Encashment to Compulsorily retired officers

We refer to our discussions on the captioned matter drawing your attention that accumulated privilege leave is tantamount to savings of an officer payable on severance of service and is not a terminal benefit. Hence encashment of PL cannot be withheld on compulsory retirement. Courts have also held that leave encashment ought to be paid to compulsory retirees too.

In fact, compulsory retirees were getting encashment benefits till IBA sent a communication in the year 2000 directing banks not pay PL encashment to compulsory retirees. This led to avoidable litigations where the affected retirees succeeded in getting verdicts in their favour in every high court. IBA has to therefore, ultimately revise its instruction and communicated to the banks to extend leave encashment to those compulsorily retired after 30/04/2015. IBA correcting its error has thus created discrimination denying this benefit only to those who retired from 2000 till 30/04/2015.

In the first place, IBA can interpret a regulation which is challengeable but IBA cannot make a regulation or undo a regulation which is a statutory exercise that can be performed only as per Banking Companies (Acquisition & transfer of Undertakings) Act, 1970, Nationalization Act etc in which IBA has no role. In other words, IBA can interpret a regulation on entitlement but cannot deny an entitlement through its directives. It is not competent to enact a regulation on behalf of banks. It is the basic principle of law that any entitlement can be made prospective or retrospective but any interpretation on an entitlement has to be from the date of entitlement cannot be prospective. So if IBA has only interpreted the regulation regarding leave encashment the correction made to its interpretation cannot be prospective but from the date the erroneous interpretation has been made.

The very reason for giving compulsory retirement is that the institution wants to pay the normal entitlements and terminal benefits to the retiree but does not want to keep the retiree any more in its service. So from the viewpoint of legality and equity, leave encashment has to be paid to all compulsory retirees irrespective of their date of compulsory retirement.

In view of the above, we request you to kindly grant leave encashment to all compulsorily retired officers and employees irrespective of their date of compulsory retirement.

With regards

Yours faithfully,

S.B.C.KARUNAKARAN)

General Secretary

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To

3rd August 2015

The General Manager,
Indian Overseas Bank,
Central Office,
Chennai

Madame,

Madame,

Sub: Compassionate Appointment

While we are glad that compassionate appointment has been restored in banks on humanitarian consideration, it is unfortunate that here again an artificial distinction has been made among otherwise eligible spouse/wards by making its application prospective where the employee passed away after 5/8/2015. The dependents of those who died earlier are also equally in a pitiable condition and deserve sympathy of the bank. The number may not be more and it will not be a strain on the bank.

Hence we request you to favourably consider compassionate appointments to dependents to all those who died in harness.

With regards

Yours faithfully,

(S.B.C.KARUNAKARAN)

General Secretary

To

3rd August 2015

The General Manager,
Indian Overseas Bank,
Central Office,
Chennai

Madame,

Sub: Extension of Medical Aid Scheme to retirees as per X Bipartite Settlement

We are glad that the long pending of retirees for uniform medical aid to retirees in banks has been conceded to a larger extent, though of course with a caveat that the cost of the scheme shall be shared by retirees as decided at individual bank level.

There will be good increase in the extent (upto Rs.4 lakh cover per retiree) and scope (domiciliary treatment etc) of insurance cover. We understand that our present individual insurance cover of Rs.1.50 lakh under REMAS from the current insurance company will run upto June,2016. In the circumstances, please explore the ways to extend the balance Rs.2.5 lakh cover for the period upto June 2016. In our opinion, the premium per retiree should be less than that of serving employee because for the retiree the insurance cover is available only to self and spouse(if alive) where as to serving employees the insurance cover is for the entire family of the employee that includes dependent parents and children. Inasmuch as we have already contributed substantially towards REMAS scheme, the same can be taken our share of cost for the proposed cover upto Rs.4 lakh. Under the circumstances you may please allow our participation too during your discussion with the insurance company.

Please consider the above favourably.

With regards

Yours faithfully,

(S.B.C.KARUNAKARAN)

General Secretary